

BEFORE THE
ILLINOIS COMMERCE COMMISSION

IN THE MATTER OF:

DIANE HANSEN

V

No. 07-0328

ILLINOIS ENERGY SAVINGS CORP.)

d/b/a U.S. ENERGY SAVINGS CORP.)

Complaint as to a deposit)

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request in Chicago, Illinois )
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Chicago, Illinois

August 22, 2007

Met pursuant to notice at 1:00 p.m.

BEFORE :

MS. KATINA HALOULOS, Administrative Law Judge.

APPEARANCES :

MS. DIANE HANSEN
3039 West Cornelia
Chicago, Illinois 60618
appeared pro se;

LOWIS & GELLEN, LLP, by
MR. ETHAN F. HAYWARD
200 West Adams
Chicago, Illinois 60606
appeared for Respondent.

SULLIVAN REPORTING COMPANY, by
Teresann B. Giorgi, CSR

1		<u>I</u>	<u>N</u>	<u>D</u>	<u>E</u>	<u>X</u>	
2					Re-	Re-	By
3	<u>Witnesses:</u>	<u>Dir.</u>	<u>Crx.</u>	<u>dir.</u>	<u>crx.</u>		<u>Examiner</u>
4	NONE						
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10		<u>E</u>	<u>X</u>	<u>H</u>	<u>I</u>	<u>B</u>	<u>I</u>
11	<u>Number</u>	<u>For</u>	<u>Identification</u>		<u>In</u>	<u>Evidence</u>	
12	NONE						
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1 JUDGE HALOULOS: Pursuant to the authority of
2 the Illinois Commerce Commission, I now call
3 Docket No. 07-0328, Diane Hansen versus Illinois
4 Energy Savings Corp., d/b/a U.S. Energy Savings
5 Corp. This is a complaint as to a deposit request
6 in Chicago, Illinois.

7 Would the parties please identify
8 themselves for the record.

9 MR. HAYWARD: Ethan Hayward on behalf of
10 U.S. Energy Savings Corp.

11 MS. HANSEN: I'm Diane Hansen, owner of the
12 building.

13 JUDGE HALOULOS: And this matter was continued
14 from August (sic) 18th of '07. If I recall
15 correctly, it was continued because you were still
16 in the process of negotiating the complaint with one
17 another, is that correct?

18 MR. HAYWARD: Yes, your Honor.

19 JUDGE HALOULOS: And where do we stand today?

20 MR. HAYWARD: We've made an offer to Ms. Hansen
21 to waive the exit fees if she agreed to pay her
22 amount in arrears, pursuant to a payment plan of

1 one-third down within 30 days and \$600 per month
2 until the remaining two-thirds is satisfied.

3 I apologize. I came in late on this
4 matter. I'm subbing for Mr. McManaman here today.
5 I wasn't aware of whether Ms. Hansen had accepted
6 our offer or not.

7 MS. HANSEN: Well, I had offered to pay 250 a
8 month. There's a couple of things here. The
9 security deposit, Peoples Gas is holding. They're
10 holding 2800, which I wanted them to turn over to
11 you. They won't do that. And they want 12
12 consecutive payments on time. I don't have time to
13 get into if it's been paid on time. They claim it
14 hasn't. And I don't know if I start over from this
15 month or six months ago, when I'll get it back. As
16 soon as it comes, I can turn that over to you and I
17 can put it in writing.

18 Secondly, we're going into the heating
19 season in two months. The heat will be on, even
20 though it's 90 today. And I called them yesterday
21 and I said about a budget plan, and she said, Unless
22 you are current with U.S. Energy, you cannot go on a

1 budget plan. I need to be on a budget plan.

2 And when I signed this contract with
3 the representative last December, I was under the
4 impression that it would be cheaper. It's not
5 cheaper. It's, actually, more money, which is
6 catapult to the building into debt.

7 I'm sort of between a rock and a hard
8 place. I offered to pay 250 a month, which they
9 refused the offer.

10 JUDGE HALOULOS: Just so I'm up to date here.

11 You have offered to waive the exit
12 fee. What is the total she's in arrears as of --

13 MR. HAYWARD: As of July 2nd, that's the latest
14 record I have, \$6,687.98.

15 MS. HANSEN: Well, I just paid today. I came
16 from the currency exchange. I paid 564
17 (indicating). One is for a different building that
18 I manage, and I have no interest in.

19 JUDGE HALOULOS: So, the issue at this point is
20 you're looking to get on a budget plan -- what you
21 would like to do is to be on a budget plan to pay
22 this arrears.

1 MS. HANSEN: I want to be on a budget for --
2 when winter is coming up in two months, really.

3 JUDGE HALOULOS: And, now, your offer to
4 Ms. Hansen was to pay a third of the 6,000 within 30
5 days?

6 MR. HAYWARD: Yes.

7 JUDGE HALOULOS: Could you please go over that
8 again?

9 MR. HAYWARD: Pay a third of the amount due,
10 approximately, \$6,700 right now, that's as of the
11 beginning of July, it may be more at this point. I
12 apologize, I don't have the most current records.
13 But the terms were, yes, the first third within 30
14 days and \$600 per month after until the remaining
15 amount is satisfied.

16 JUDGE HALOULOS: Okay.

17 And that is something that you're not
18 in a position --

19 MS. HANSEN: Right. Unless -- if they had
20 returned the security, I would sign off on that.

21 JUDGE HALOULOS: And you haven't -- because I
22 know the last status we had, you were going to

1 inquire as to when that would be happening.

2 MS. HANSEN: As of yesterday she said, You're
3 not going to get it back yet. I don't know when
4 they're going to -- I don't totally understand. And
5 I put her in touch with the legal department of
6 Peoples Gas. I had his e-mail and his phone number.
7 And I said maybe it's better if a lawyer dealt with
8 it, maybe it would be better. But, as of yet,
9 they're not going to return it. That's why I'm not
10 in a position to do that.

11 I also have violations on the
12 building, which is another issue, very much related
13 to the economics of apartment building management,
14 is City Hall down the street.

15 So, if they had returned that, I mean,
16 I would have signed off on that, even though,
17 really, I was under the impression that it would be
18 cheaper with U.S. Energy. And I would have owed
19 less if I had stayed with Peoples. And so the
20 previous attorney said, Well, we don't -- he knows
21 their sales pitch and they do not represent it's
22 really cheaper. He thinks it's cheaper in the long

1 term, but not in the short term, because the cost
2 per therm is higher with U.S. Energy than it is with
3 Peoples Gas. So, I'm paying more, which makes it
4 harder, you know, to make this building work.

5 JUDGE HALOULOS: Okay.

6 So, really what's at issue here --
7 you're not contesting the amount owed.

8 MS. HANSEN: Well, in a sense I am because I was
9 hoping that they would charge me the same amount
10 that Peoples would have charged me had I stayed with
11 Peoples Gas in December. In that sense I am. You
12 know, I'm not an attorney. Here I am a lay person
13 representing myself.

14 JUDGE HALOULOS: Right.

15 MS. HANSEN: So, I don't have the same, you
16 know, expertise that he has.

17 JUDGE HALOULOS: What is before me today is --
18 we've had three -- you know, we've continued it,
19 this is the third time. If you would like to
20 contest as to the amount, it doesn't sound -- I
21 didn't think that's where it was going based on the
22 previous two status hearings, that you were actually

1 contesting the amount owed.

2 MS. HANSEN: Well, if I did contest the amount
3 owed, and I would agree to pay what would have been
4 had I stayed with Peoples, I don't know legally if I
5 would have a leg to stand on. I'm not an attorney
6 and I can't afford to pay an attorney.

7 JUDGE HALOULOS: And that's a determination you
8 have to make for yourself. I can't advise you. I
9 mean, if you would like to investigate and find out
10 how much it would have been, present evidence that
11 you were told, or that you were lead to believe that
12 it was going to be cheaper. If you would like to
13 present some proof of that. And how much, in fact,
14 it would have been cheaper and what you would have
15 been -- I mean, you obviously, of course, have the
16 opportunity to do all that.

17 Having said that, up until today I
18 really didn't think you were -- I was not under the
19 impression that you were contesting the amount. It
20 was a question of working out something as to how
21 you were going to pay.

22 MS. HANSEN: It's both of those. It's both of

1 those.

2 JUDGE HALOULOS: All I have before me today --
3 strike that.

4 Do you want to go to hearing today as
5 to the amount you were charged, or I suppose we can
6 do a short date, one final short date.

7 MS. HANSEN: Well, can you just tell me what it
8 would have been if I had stayed at Peoples?

9 MR. HAYWARD: I don't have that information in
10 front of me, ma'am. We have nothing -- we're not
11 involved with Peoples. We don't have any say -- I
12 am of the understanding that Marty had called to the
13 general counsel at U.S.E.C., and that they did what
14 they could about seeing about your deposit with
15 Peoples. But, to date, there's been really no
16 developments on that.

17 MS. HANSEN: Well, what if I would agree to
18 this. If you could find out what it would have been
19 from Peoples Gas had I stayed with them, and I would
20 pay you instead of 250, 400 a month until I get the
21 security back. And if they return in two months the
22 lump sum, it would be turned over to you, I'll sign

1 off on it.

2 MR. HAYWARD: We can't really bank on a
3 contingency on someone we have no influence.

4 MS. HANSEN: Right.

5 MR. HAYWARD: And I would have to run this by my
6 client first before --

7 MS. HANSEN: I haven't always kept my receipts
8 like today. Now, that I became aware that they're
9 saying I wasn't timely for 12 consecutive months,
10 now I'm keeping the receipts, but I don't have all.
11 I have some of the receipts and some not.

12 JUDGE HALOULOS: Here's what would help too,
13 because your deposit is --

14 MS. HANSEN: 2800.

15 JUDGE HALOULOS: If there was some assurance
16 that you could present, I don't know if this would
17 be helpful for you, but if there was some assurance
18 that you are going to be refunded that money and an
19 approximate time of when you would be refunded that
20 money --

21 MS. HANSEN: You know, I don't know how they
22 determine how you're deemed late. When you get a

1 bill from Peoples, it the corner it will say, Due
2 Date, the -- usually it's the 23rd, 25th, around
3 this time of the month.

4 JUDGE HALOULOS: Uh-hum.

5 MS. HANSEN: And I assume that's the due date,
6 isn't it, when it's due? And if you pay it by that
7 time that you're deemed --

8 JUDGE HALOULOS: I really can't even see it.

9 MS. HANSEN: (Indicating.) Doesn't that mean if
10 you pay by that date? Because I do tend to pay on
11 the last day. I do do that usually because of my
12 tenants.

13 JUDGE HALOULOS: I mean, this is nothing
14 pertinent to what's before us today, but it does say
15 the due date. I mean, that's the due date.

16 MS. HANSEN: It could be the 23rd. It will vary
17 by the month. It's usually the third week of the
18 month, between the 21st and the 25th. And I usually
19 do come running in and pay it the last minute. But
20 they say that there have been some months where it
21 wasn't on time.

22 This is, you know, the dilemma, not

1 only that it's costing me more than I thought, which
2 makes me harder to pay on time. We're going into a
3 winter season. And I want you paid off as soon as
4 possible so they will put me on a budget. So, it's
5 in my self-interest to pay you off as soon as
6 possible.

7 JUDGE HALOULOS: Well, I think what's been
8 muddying this up from the beginning is, this is
9 U.S. Energy, anything you have going on with Peoples
10 is something entirely different. All that's before
11 us here is you have an amount owed with U.S. Energy.
12 And if you contest that amount or present evidence
13 as to why that -- for whatever your reasons might be
14 as to why that amount is wrong. And if you're not
15 contesting the amount, then the issue just becomes
16 and all that's before us here, is -- if you're not
17 contesting it, how are you going to pay for it? And
18 they certain seem -- I mean, they've waived the exit
19 fee. They're willing to do some sort of a monthly
20 payment plan with you, not that you've agreed to
21 that, but the Peoples seem to constantly -- your
22 relationship with Peoples seems to be muddying up

1 what's happening here.

2 So, you're relying on the \$2800 from
3 Peoples and -- we can go one of two ways. We can
4 continue it for a hearing based on the amount --
5 based on you contesting the amount owed, presuming
6 that something is going to be owed --

7 MS. HANSEN: Oh, definitely. Oh, definitely.
8 No question.

9 JUDGE HALOULOS: Which still is going to put you
10 back in the position of being presented with some
11 sort of a -- they're going to want payments.

12 MS. HANSEN: Right.

13 JUDGE HALOULOS: Now, I understand you're
14 waiting for that deposit and that seems to be what's
15 holding up you paying them. I don't know. Are you
16 okay with continuing it to find out -- if you can
17 find out when you're getting that money concretely
18 and then just --

19 MS. HANSEN: It's my understanding they would
20 have to have 12 consecutive months.

21 JUDGE HALOULOS: Before they're going to refund
22 your deposit, is that what you're saying?

1 MS. HANSEN: I think so.

2 JUDGE HALOULOS: So, it would be a year before

3 you would even see that deposit.

4 MS. HANSEN: Well, not necessarily. It could be

5 four or five months. And it's in my self-interest

6 to get you paid off as soon as possible so that I

7 could go on a budget before it gets really cold.

8 Even if I can be on the budget in December, I think

9 I'll be okay. But I'm afraid of going into the real

10 bitter cold months without being on a budget. I'm

11 really afraid of that.

12 JUDGE HALOULOS: Well, if this is okay with

13 everybody, can we continue it a week. You can find

14 out -- we'll do just one week.

15 MS. HANSEN: Okay.

16 JUDGE HALOULOS: You have to find out from

17 Peoples what the situation is with that deposit.

18 MS. HANSEN: Okay.

19 JUDGE HALOULOS: Whether it's 12 months or --

20 something concrete.

21 MS. HANSEN: Okay.

22 JUDGE HALOULOS: So that they know when they can

1 anticipate their money.

2 MS. HANSEN: Okay. Okay.

3 JUDGE HALOULOS: And then should you choose to
4 contest the amount, you're given that opportunity as
5 well.

6 Again, that burden falls on you,
7 though. So, any contention that you have with the
8 amount -- the actual amount that's owed, you would
9 have to present evidence as to why it's an
10 inaccurate amount.

11 MS. HANSEN: Okay.

12 JUDGE HALOULOS: And you would have to
13 investigate and you would have to present your own
14 evidence. The Company can't do that for you.

15 MS. HANSEN: Okay. But my position is
16 certainly, if they agree to charge and what Peoples
17 would have charged me, I can up my monthly payment
18 to 400, would that help me at all?

19 MR. HAYWARD: I would have to run that by my
20 client.

21 JUDGE HALOULOS: We don't even know what that
22 amount would be.

1 MS. HANSEN: I would count on you to tell me. I
2 would count on you to figure that out.

3 MR. HAYWARD: I apologize. I'm not as current
4 as I should be right now. I'd be happy to --

5 MS. HANSEN: But, if you tell me, I believe it.
6 You know, you know what the cost per therms is. You
7 know what the sales pitch is when they come knocking
8 on your door.

9 MR. HAYWARD: If I could.

10 MS. HANSEN: You see, I want to make a
11 payment -- I want to agree to something that I know
12 100 percent I can pay you. If I don't meet my
13 obligation, you know, it's going to jeopardize my
14 standing with Peoples. I can't make an agreement
15 that I can't, you know, really commit to. Because
16 the sooner you're paid off, the sooner I get a
17 budget, which I have to do before we can get into a
18 fierce winter, you know. Maybe we'll be lucky and
19 it'll be mild. Last year it was very mild. We were
20 fortunate. But I don't foresee that happening two
21 years in a row.

22 JUDGE HALOULOS: Well, why don't we do this.

1 We'll continue it one week out --

2 MS. HANSEN: But here's the thing. Even

3 irregardless of the security deposit when it's

4 returned, is that something that, you know,

5 U.S. Energy would agree to 400 a month, if they

6 charge me what I would have paid with Peoples

7 anyway?

8 JUDGE HALOULOS: You're saying plus the deposit

9 amount, correct?

10 MS. HANSEN: Oh, sure.

11 JUDGE HALOULOS: They're looking for the

12 one-third --

13 MS. HANSEN: Oh, sure. Absolutely.

14 MR. HAYWARD: We don't know what you would have

15 paid to Peoples, ourselves. We have nothing to do

16 with Peoples --

17 MS. HANSEN: But, you can figure that out. I'm

18 sure you can find out.

19 MR. HAYWARD: You would have to find that out.

20 MS. HANSEN: It's better if you find out.

21 MR. HAYWARD: Excuse me. It's not our burden to

22 find that out.

1 MS. HANSEN: Will they tell me at Peoples Gas?

2 Will they tell me?

3 JUDGE HALOULOS: I'm not sure, to be honest.

4 You would probably know the answer to
5 that question, if they calculate what it would have
6 been.

7 MR. HAYWARD: I can see if I could find out.

8 MS. HANSEN: They're not the easiest to deal
9 with, either. They may be cheaper, but they're not
10 so easy to deal with.

11 MR. HAYWARD: And we don't know whether they're
12 cheaper or not.

13 JUDGE HALOULOS: It could be a nominal -- a
14 matter of dollars. I mean, just because -- at this
15 point we don't know. It could be 50 cents, the
16 difference. Perhaps it's more.

17 MS. HANSEN: Well, I would believe -- if you
18 tell me --

19 MR. HAYWARD: If I could, for just a moment,
20 just from the beginning what my understanding was,
21 was about the formation of the contract that we're
22 contesting now. What we represented was a fixed

1 cost per month of natural gas. Whereas, Peoples Gas
2 tends to vary per month. As I'm sure you know as a
3 building manager, prices tend to spike in the
4 wintertime, once supplies are low, and tends to
5 vary. And U.S. Energy represents a fixed cost over
6 a long term. Therefore, there's no representation
7 that it's actually cheaper than Peoples.

8 And if -- we would be prepared to go
9 to a hearing on this issue, probably not in a week,
10 but probably two weeks, or perhaps a few more.

11 JUDGE HALOULOS: Well, it's up to, obviously,
12 the parties. I went out for a week thinking if she
13 could get that deposit, she -- and you're saying
14 that you can pay \$400 a month.

15 MS. HANSEN: Yes.

16 MR. HAYWARD: That's contingent on you receiving
17 the deposit.

18 MS. HANSEN: No, that's either way.

19 JUDGE HALOULOS: She's saying she's --

20 MS. HANSEN: Either way I would pay that.

21 JUDGE HALOULOS: So, I think a major help at
22 this point would be if you had the deposit money,

1 the almost \$3,000.

2 MR. HAYWARD: Certainly it would help.

3 JUDGE HALOULOS: So, she's not sure when she's
4 going to get it.

5 MS. HANSEN: But I would pay the 400, whenever
6 it comes. I'm now much more aware of, you know,
7 when these bills are deemed timely and going there
8 and keeping every receipt, so that I have proof that
9 I paid on time, as I do with the mortgage every
10 month, pay on time in person. I never mail a
11 mortgage payment.

12 No, I would pay the 400 no matter
13 what.

14 MR. HAYWARD: That's regardless of whether you
15 receive the deposit back.

16 MS. HANSEN: Exactly. No matter what.

17 MR. HAYWARD: Until the full amount of the
18 arrears is paid off.

19 MS. HANSEN: Yes.

20 MR. HAYWARD: As well as the exit fees.

21 MS. HANSEN: No, not the exit fee. Oh, no.

22 MR. HAYWARD: Not the exit fees.

1 MS. HANSEN: No.

2 MR. HAYWARD: I don't see what value that really
3 is to us.

4 JUDGE HALOULOS: If you had the deposit, which
5 is again almost \$3,000, and she's agreeing to pay
6 \$400 a month, it's -- you're getting more than
7 one-third up front.

8 MS. HANSEN: You're getting half.

9 JUDGE HALOULOS: And --

10 MR. HAYWARD: My understanding was from a few
11 minutes ago, she said she'd pay the 400 regardless
12 of whether she had the deposit back or not.

13 JUDGE HALOULOS: Right.

14 MS. HANSEN: But not the exit fees.

15 MR. HAYWARD: Okay.

16 MS. HANSEN: You know, we're going into winter.
17 I'm going to have bills, very high bills, in the
18 next --

19 JUDGE HALOULOS: Do you understand? So, it
20 would be the deposit -- and this is presuming she's
21 getting the deposit in a month or two. That might
22 not be the case, and a week from now might be --

1 MS. HANSEN: It could be six months. It might
2 be six months.

3 JUDGE HALOULOS: It's all contingent, obviously,
4 too on if the Company would like to agree to this.

5 But, in the best case scenario, she's
6 getting the deposit in a month --

7 MS. HANSEN: It might be six months. I'm not
8 representing --

9 JUDGE HALOULOS: Again, I'm just saying the best
10 case scenario.

11 And then she'd pay the 400 a month,
12 minus the exit fees.

13 Again, that's why in my mind it's
14 important to find out when you are going to be
15 receiving, one way or another, whether it's one
16 month or whether you find out it's ten months --

17 MS. HANSEN: Sure.

18 JUDGE HALOULOS: -- I think that that would
19 sweeten the pot for the Company --

20 MS. HANSEN: Sure.

21 JUDGE HALOULOS: -- as to how they want to
22 proceed.

1 MR. HAYWARD: I would have to run that by my
2 clients.

3 JUDGE HALOULOS: Of course.

4 So, are we amicable to taking it out a
5 week, finding out when you're going to get this
6 deposit?

7 MS. HANSEN: Sure.

8 JUDGE HALOULOS: And seeing where we stand a
9 week from now. And then, one way or another, next
10 week, we'll proceed whether it be to hearing, which
11 we can set it out for another date for hearing, or
12 perhaps --

13 MS. HANSEN: Whose responsibility is it to find
14 out what the bill would have been if I stayed with
15 Peoples Gas?

16 JUDGE HALOULOS: Yours.

17 MS. HANSEN: It is.

18 JUDGE HALOULOS: Yours.

19 If your issue -- if you're contesting
20 that, I disagree with these charges because, the
21 reason why I'm contesting is because it would have
22 been cheaper for me to remain with Peoples --

1 MS. HANSEN: Okay.

2 JUDGE HALOULOS: -- then, you have to find out
3 what that amount would have been.

4 MS. HANSEN: Okay.

5 JUDGE HALOULOS: You would also have to provide
6 proof or some sort of evidence that the Company told
7 you that it would be cheaper.

8 MS. HANSEN: Because of these charges, and they
9 included in the last bill the exit fees, so, you're
10 talking a \$12,000 bill, well, you know, I might as
11 well just be foreclosed on here. It's ridiculous.
12 It casts a negative light on me. So, I'm in a
13 position where U.S. Energy -- because it's costing
14 more and all these exit fees, which are reflected on
15 my last bill, I'm sure if I have it here, makes it
16 hard to get the security back to pay you.

17 I think I left that at home.

18 JUDGE HALOULOS: Okay. So, we'll continue it
19 out to August 29th at 11:00 o'clock.

20 MS. HANSEN: So, this has to be in writing.
21 Okay. I hope I can get that from them.

22 JUDGE HALOULOS: That, certainly, I'm sure,

1 would be preferable.

2 And we can hope that it's something
3 that you can get immediately.

4 MS. HANSEN: Okay.

5 JUDGE HALOULOS: Because at the end of all this,
6 they just want their money and you just want to pay
7 them.

8 MS. HANSEN: Right. Exactly. Yeah. Because I
9 want to go on the budget.

10 JUDGE HALOULOS: And I think that would be a
11 good first step to getting that bill paid off is
12 having a deposit and then going on some sort of a
13 payment plan that you guys could agree on.

14 MS. HANSEN: So, what if I don't get this in
15 writing by them -- from them by the 29th? They're
16 not so easy to deal with, either.

17 JUDGE HALOULOS: Well, I mean, we're going --

18 MR. HAYWARD: We would likely move for a
19 dismissal of this claim. And we would likely seek
20 some assurance that we would recover our amounts in
21 arrears from Ms. Hansen.

22 MS. HANSEN: Okay.

1 JUDGE HALOULOS: Okay. All right. So, then,
2 this matter is continued.

3 (Whereupon, the above-entitled
4 matter was continued to
5 August 29th, 2007.)

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